GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4549
ANSWERED ON:12.08.2016
Goods and Services Tax
Butta Smt. Renuka;Chandumajra Shri Prem Singh;Pandey Shri Ravindra Kumar;Suman Shri Balka

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has evolved a broad consensus for the roll out of GST in April 2017 by accommodating most of the demands raised by States and other stakeholders; and

(b) if so, the details and the status thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI SANTOSH KUMAR GANGWAR)

(a) and (b): Based on broad consensus which emerged through extensive consultations with States and stakeholders including consultations in the Empowered Committee of State Finance Ministers, the Constitution (122nd Amendment) Bill, 2014, was passed by the Parliament on 8th August 2016. As per Article 279A sought to be introduced in the Constitution vide the Constitution (122nd Amendment) Act, 2014, a Goods and Services Tax Council shall be set up. This Council would function under the Chairmanship of the Union Finance Minister and will have Minister in charge of Finance/Taxation or Minister nominated by each of the States & UTs with Legislatures, as members.

As per Clause (4) of Article 279A, the Goods and Services Tax Council shall make recommendations to the Union and the States on the following mattersâ€”
i. the taxes, cesses and surcharges levied by the Union, the States and the local bodies which may be subsumed in the goods and services tax;
ii. the goods and services that may be subjected to, or exempted from the goods and services tax;
iii. model Goods and Services Tax Laws, principles of levy, apportionment of Integrated Goods and Services Tax and the principles that govern the place of supply;
iv. the threshold limit of turnover below which goods and services may be exempted from goods and services tax;
v. the rates including floor rates with bands of goods and services tax;
vi. any special rate or rates for a specified period, to raise additional resources during any natural calamity or disaster;
vii. special provision with respect to the States of Arunachal Pradesh, Assam, Jammu and Kashmir, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura, Himachal Pradesh and Uttarakhand; and
viii. any other matter relating to the goods and services tax, as the Council may decide.
Therefore, all matters listed above shall be finalised as per the recommendations of the GST Council.
Further, as per Clause (9) of the said Article, Every decision of the Goods and Services Tax Council shall be taken at a meeting, by a majority of not less than three-fourths of the weighted votes of the members present and voting.